

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE JPMORGAN CHASE & CO.
SECURITIES LITIGATION

Master File No. 1:12-cv-03852-GBD

**LEAD PLAINTIFFS' MEMORANDUM IN SUPPORT OF MOTION FOR
MODIFICATION OF ORDER APPROVING DISTRIBUTION PLAN**

Dated: November 21, 2018

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Lead Plaintiffs, Ohio Public Employees Retirement System, Arkansas Teacher Retirement System, the State of Oregon by and through the Oregon State Treasurer on behalf of the Common School Fund and, together with the Oregon Public Employee Retirement Board, on behalf of the Oregon Public Employee Retirement Fund, and Sjunde AP-Fonden (collectively, the “Lead Plaintiffs”), respectfully submit this memorandum in support of their motion for entry of the [Proposed] Order Modifying Order Approving Distribution Plan (the “Modified Distribution Order”),¹ as set forth herein and in the accompanying Declaration of Justin R. Hughes in Support of Lead Plaintiffs’ Motion for Modification of Order Approving Distribution Plan (the “Hughes Declaration” or “Hughes Decl.”), submitted on behalf of the Court-authorized Claims Administrator, Kurtzman Carson Consultants LLC (“KCC”). If entered by the Court, the Modified Distribution Order will permit payment to be made on certain Claims that were submitted for the Settlement but were not included in the list of Claimants previously approved by the Court for payment. In all other respects, the Order Approving Distribution Plan entered by the Court on January 8, 2018 (ECF No. 231) (the “Distribution Order”), will remain unchanged.

I. RELEVANT BACKGROUND

All claims against Defendants in this securities class action have been resolved. The Settlement approved by the Court has become effective, the claims administration process has been completed and, pursuant to the Court’s Distribution Order, the initial distribution of the

¹ All terms with initial capitalization not otherwise defined in this memorandum have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated December 18, 2015 (ECF No. 198-1) (the “Stipulation”), and in the Declaration of Justin R. Hughes in Support of Lead Plaintiffs’ Motion for Approval of Distribution Plan (ECF No. 229) (the “Hughes Distribution Declaration”).

Settlement proceeds to Authorized Claimants occurred on March 13, 2018 (the “Initial Distribution”). Hughes Decl. ¶¶ 4-6.

In the Initial Distribution, a total of \$104,963,688.14 was distributed to 48,259 Authorized Claimants. Hughes Decl. ¶ 6. Lead Plaintiffs now respectfully request that the Court approve payment on four (4) Claims that were valid and timely submitted but were not properly processed. These Claims were not included in KCC’s final reports presented to the Court in support of Lead Plaintiffs’ Motion for Approval of Distribution Plan. Thus, they were not authorized for, and did not receive, a distribution from the Settlement proceeds in the Initial Distribution. Hughes Decl. ¶ 7.²

II. APPROVAL OF DETERMINATION TO PAY CLAIMS

After the Initial Distribution, KCC was contacted by a third-party claims-filing institution to inquire about a number of Claims it had submitted for the Settlement. *Id.* In the course of these communications, it was discovered that the third-party filer had submitted four Claims via email to KCC on behalf of one of its clients. These Claims were timely submitted and were valid, but they inadvertently were not loaded into the Settlement database. *Id.* As a result, these Claims were not included in KCC’s final reports presented to the Court in support of Lead Plaintiffs’ Motion for Approval of Distribution Plan, were not included in the Distribution Order, and did not receive a distribution from the Settlement proceeds in the Initial Distribution. *Id.*³

Because these Claims were timely submitted and valid and were not included in the Initial Distribution through no fault of the Claimant, Co-Lead Counsel submit they should be paid.

² Under the terms of the Stipulation, none of Defendants’ Releasees have any involvement or responsibility for the administration of the Settlement, the Claims process, or disbursement of the Net Settlement Fund. *See* Stipulation ¶ 17.

³ All four Claims were timely submitted to the info@jpmorgansecuritieslitigation.com email address. *Id.*

Consequently, Co-Lead Counsel are requesting that the Court modify its Distribution Order for the sole purpose of including these four Claims for payment. Based on the *pro rata* factor applied to Recognized Claim amounts for the Initial Distribution, the total amount that would be disbursed to pay the four Claims, if approved, is \$440,915.27. Hughes Decl. ¶ 8. There are sufficient funds remaining in the Net Settlement Fund to pay these four Claims. Indeed, following the Initial Distribution and as of November 13, 2018, there is \$2,225,512.53 remaining in the Net Settlement Fund as a result of uncashed and returned checks. Hughes Decl. ¶ 10. Of this amount, \$934,177.51 has been allocated for reissued payments that have recently been sent or will be sent out shortly. *Id.* Assuming that all the reissued checks are received and cashed, the balance of the Net Settlement Fund will be \$1,291,335.02, which will be more than sufficient to pay these claims. *Id.* Payment of these Claims would put this Claimant into parity with all other Authorized Claimants that were paid on March 13, 2018 and cashed their distribution checks. *Id.* ¶ 9.

There is also approximately \$11,682,800 being held in reserve to address any contingencies that may arise after the Initial Distribution (the “Reserve”). Hughes Decl. ¶¶ 6, 10. Following payment of these four Claims, if approved by the Court, the funds remaining in the Net Settlement Fund and Reserve will be, pursuant to the Distribution Order, distributed to all Authorized Claimants in the Initial Distribution who (i) were not Claims Paid in Full; (ii) cashed their Initial Distribution check; and (iii) who would receive at least \$10.00 from such distribution. Distribution Order ¶ 3(f). KCC is currently preparing for the Second Distribution and Co-Lead Counsel anticipates that this distribution will occur in December 2018.

III. CONCLUSION

For the foregoing reasons, it is respectfully submitted that Lead Plaintiffs’ Motion for Modification of Order Approving Distribution Plan should be approved and the proposed Modified

Distribution Order should be entered.

Dated: November 21, 2018

Respectfully submitted,

**GRANT & EISENHOFER
P.A.**

s/ Daniel L. Berger
Daniel L. Berger
Jeffrey A. Almeida
485 Lexington Avenue
New York, NY 10017
Telephone: (646) 722-8505
Facsimile: (302) 622-7004
dberger@gelaw.com
jalmeida@gelaw.com

**BERNSTEIN LITOWITZ
BERGER & GROSSMANN LLP**

s/ John Rizio-Hamilton
John Rizio-Hamilton
1251 Avenue of the Americas
New York, NY 10020
Telephone: (212) 554-1400
Facsimile: (212) 554-1444
johnr@blbglaw.com

**KESSLER TOPAZ
MELTZER & CHECK LLP**

s/ David Kessler
David Kessler
Andrew L. Zivitz
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056
dkessler@ktmc.com
azivitz@ktmc.com

Co-Lead Counsel for Lead Plaintiffs and the Class

Additional Counsel:

**STOLL STOLL BERNE LOKTING
& SHLACHTER P.C.**

Keith Ketterling
Keith Dubanevich
209 Southwest Oak Street
Portland, OR 97204
Telephone: (503) 227-1600
Facsimile: (503) 227-6840
kketterling@stollberne.com
kdubanevich@stollberne.com

*Special Assistant Attorneys General and
Counsel for Lead Plaintiff the State of
Oregon by and through the Oregon State
Treasurer on behalf of the Common School
Fund and, together with the Oregon Public
Employee Retirement Board, on behalf of
the Oregon Public Employee Retirement
Fund*